

## Message Text

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PAGE 01 MANILA 18900 061200Z

46

ACTION EB-07

INFO OCT-01 EA-07 ISO-00 L-03 TRSE-00 CIAE-00 COME-00

DODE-00 DOTE-00 FMC-01 INR-07 NSAE-00 SAL-01 CG-00

DLOS-06 OES-06 OMB-01 SS-15 NSC-05 H-02 CIEP-01 PA-01

USIA-06 PRS-01 SP-02 /073 W  
----- 012402

R 060859Z DEC 76

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 3575

INFO AMEMBASSY TOKYO

LIMITED OFFICIAL USE MANILA 18900

E.O. 11652: N/A

TAGS: EFIN, EWWT, EAIR, RP, JA

SUBJECT: RP/JAPAN TAX TREATY NEGOTIATIONS

1. LOCAL PRESS REPORTED ON DECEMBER 5 THAT JAPAN IS ASKING FOR EXEMPTION FROM TAXES ON GROSS RECEIPTS OF SHIPPING FIRMS IN CONNECTION WITH NEGOTIATIONS FOR A DOUBLE TAXATION TREATY WITH THE RP. ARTICLE NOTED THAT GOP PROPOSAL IS FOR 1.5 PERCENT TAX (AS IN RECENTLY-CONCLUDED US/RP TAX CONVENTION).

2. SHOJI TAKAHASHI, JAPANESE FINANCIAL ATTACHE, CONFIRMED TO EMBASSY OFFICER THAT GOJ IS SEEKING REDUCTION OF TAX TO ZERO, NOT ONLY ON SHIPPING BUT ON AIRLINES AS WELL. HE AGREED IT WOULD BE MOST DIFFICULT FOR GOP TO ACCEPT THIS, ESPECIALLY IN VIEW OF MFN PROVISIONS OF OTHER TREATIES RP HAS CONCLUDED, BUT STATED THAT "THIS IS OUR POSITION." TAKAHASHI SAID THIS IS TOUGHEST ISSUE STANDING IN WAY OF AGREEMENT, BUT THAT RATES ON ROYALTIES AND DIVIDENDS ALSO REMAIN UNRESOLVED. HE SAID THAT NEXT NEGOTIATING SESSION WILL PROBABLY BE HELD IN TOKYO, PERHAPS EARLY NEXT YEAR. SULLIVAN

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NNN



## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TAX AGREEMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 06 DEC 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ElyME  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976MANILA18900  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760450-0275  
**From:** MANILA  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1976/newtext/t19761270/aaaacihv.tel  
**Line Count:** 52  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 1  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ElyME  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 27 MAY 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <27 MAY 2004 by ShawDG>; APPROVED <27 SEP 2004 by ElyME>  
**Review Markings:**

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EO Systematic Review  
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**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** RP/JAPAN TAX TREATY NEGOTIATIONS  
**TAGS:** EFIN, EWWT, EAIR, RP, JA  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006